

Full scale dredging operations started in August 2004

Aerovox

7 step process:

- Debris removal
- Dredging
- Booster pump/ferric sulfate addition
- Desanding
- Dewatering
- Water treatment
- Offsite disposal of filter cake

Settlement Communication
Subject to FRE 408

Overview of the full scale dredging process



Settlement Communication
Subject to FRE 408

1. Dredging in upper harbor



2. Desanding



Full scale dredging and disposal operations





3. Dewatering

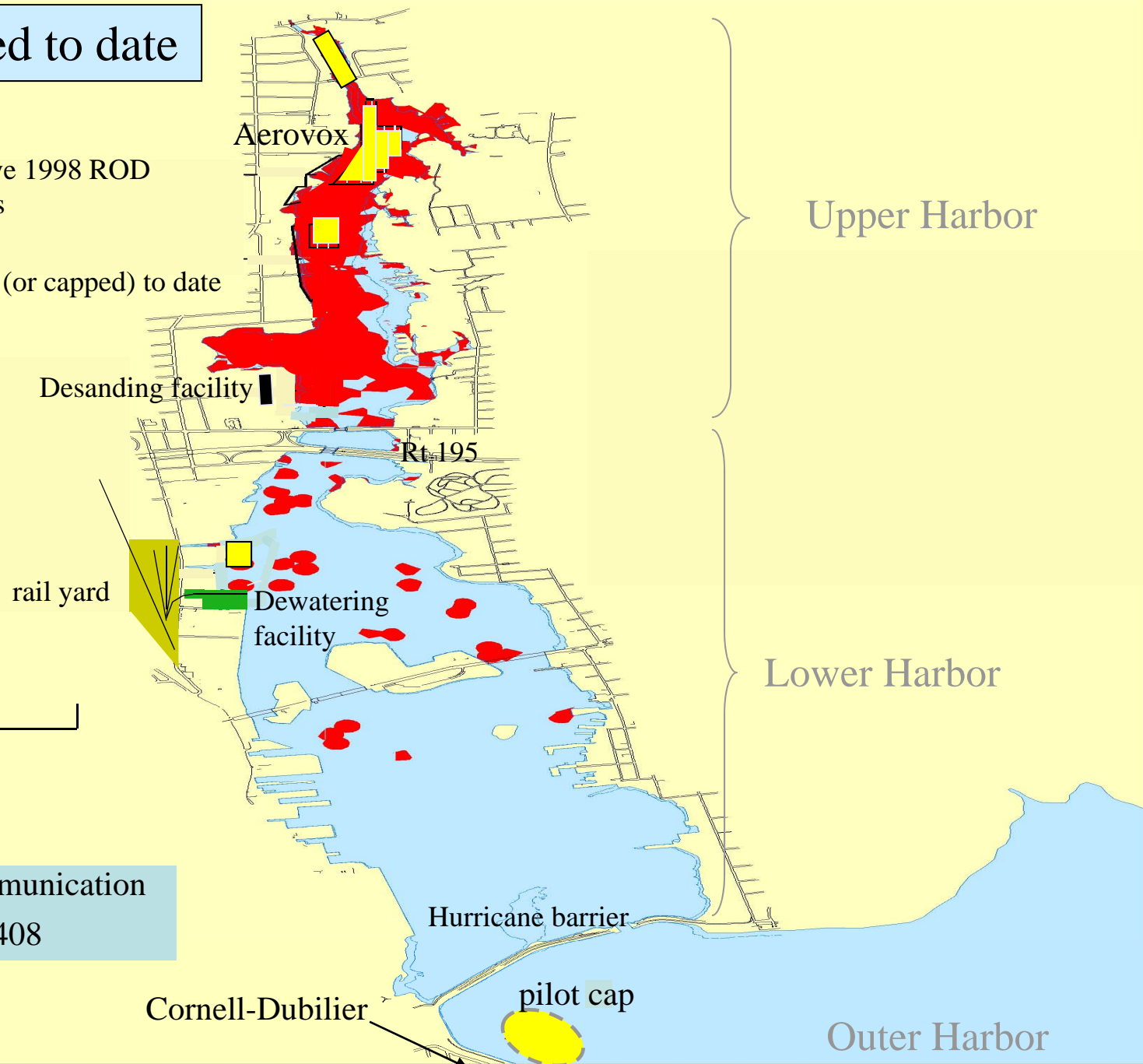
Settlement Communication
Subject to FRE 408



4. Loading to rail for offsite disposal

Areas dredged to date

-  - sediment above 1998 ROD cleanup levels
-  - areas dredged (or capped) to date



Settlement Communication
Subject to FRE 408

Dredging volume remaining

		With 6" over-dredge
Total estimated dredge volume	725,000 cy	862,000 cy ¹
Dredging/capping to date		
T&D thru 2008	105,000 cy	
2005/08 capping	10,000 cy	
2003 North lobe	4,100 cy	
1988 pilot study	2,900 cy	
2000 pilot study	2,300 cy	
Subtotal	124,300 cy	
Estimated remaining volume	600,700 cy	737,700 cy

¹862,000 + 16,000 cy from North of Wood Street = app. 880,000 cy

Cost and Schedule Estimate for Hydraulic Dredging/Offsite Disposal

Total of actual costs (not present value), 3.5% annual inflation assumed

<u>Annual funding level</u>	<u>Years to complete</u>	<u>Costs to complete</u>
\$80 million ¹	4 to 5	\$341 million
\$30 million	18	\$540 million
\$15 million ²	39	\$1,113 million

¹Design funding level

²Actual funding level 2004-2008

Settlement Communication
Subject to FRE 408